

DAILY MARKETS OVERVIEW

3 JANUARY 2019

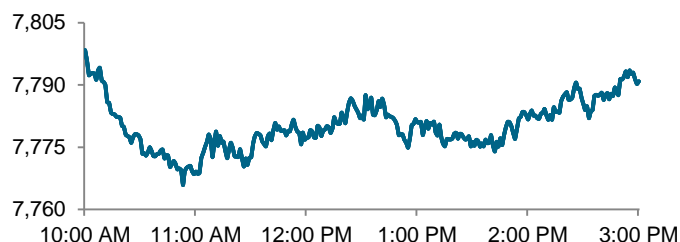
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,791	-0.1	0.5	-0.5	16.8
Saudi (NOMU)	2,568	2.0	5.2	1.9	8.6
Energy	4,790	-1.2	-0.6	-1.2	18.2
Materials	5,205	-0.5	-0.1	-0.9	16.1
Capital Goods	3,878	0.2	-0.7	-0.6	22.1
Com. & Prof. Svc	4,127	-0.2	-1.0	-0.2	17.6
Transportation	3,479	-0.1	-0.5	0.1	20.2
Cons. Durables & Apparel	3,665	-0.1	-0.1	0.0	NA
Consumer Services	2,940	-0.4	1.1	-0.2	NA
Media	10,111	0.1	-1.5	-0.7	NA
Retailing	6,848	0.3	0.3	-0.3	32.8
Food & Staples Retailing	5,903	-0.2	-0.3	-0.7	24.0
Food & Beverages	3,876	0.0	0.7	-0.3	NA
Health Care Equipment	3,751	0.3	0.8	-0.2	20.2
Pharma, Biotech & Life Science	3,859	0.0	0.0	-0.5	26.9
Banks	7,186	0.0	1.1	-0.4	12.9
Diversified Financials	3,432	0.0	0.0	-1.3	NA
Insurance	4,189	0.0	1.1	0.3	NA
Telecommunication	5,454	1.2	1.5	0.9	18.1
Utilities	3,375	0.0	0.5	0.2	NA
REITs	3,633	0.3	0.8	0.3	NA
Real Estate	3,196	-0.4	-0.6	-0.9	23.2

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Saudi Enaya Cooperative Insurance Co.	21.80	4.8%	41.2
Saudi Industrial Export Co.	89.10	4.1%	118.2
Red Sea International Co.	15.88	2.5%	4.2
Saudia Dairy and Foodstuff Co.	104.00	2.4%	13.8
National Agriculture Marketing Co.	27.5	2.0%	20.4

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
Al-Baha Investment and Development Co.	8-Jan-19
Basic Chemical Industries Co.	9-Jan-19
United International Transportation Co.	9-Jan-19
Saudi Pharmaceutical Industries and Medical Appliances Corp.	10-Jan-19
Buruj Cooperative Insurance Co.	14-Jan-19
Al Abdullatif Industrial Investment Co.	16-Jan-19

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of January 3, 2019
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.1% lower at 7,791 while NOMU ended 2.0% higher at 2,568 on Wednesday. TASI traded value totaled SAR 1.7bn and averaged SAR 2.7bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 43.7% of the daily traded value.
- Banks ended flat, while Materials declined 0.5%. Telecom closed 1.2% higher and was the best performer. Among stocks, Saudi Enaya Cooperative Insurance Co. (8311/ENAYA AB), Saudi Industrial Export Co. (4140/SIECO AB), and Red Sea International Co. (4230/REDSEA AB) led the gainers.
- The Minister of Commerce and Investment stated the Cabinet's decision to set up a new general authority for foreign trade and regulate the National Competitiveness Center (NCC) would increase the country's investment gains and competitiveness in line with Vision 2030. (Source: Argam)
- The total value of customs duties transferred by the UAE to KSA reached SAR 466mn (USD 124mn) in 2018, the highest among the GCC nations. (Source: Argam)
- The General Authority of Civil Aviation (GACA) revealed that King Abdulaziz International Airport (KAIA) would open for domestic flights by mid-2019. In May, KAIA started pilot operations in Terminal 1, as the airport is expected to accommodate around 50mn passengers annually. (Source: Argam)
- Tabuk Cement Co. (3090/TACCO AB) signed a memorandum of understanding (MoU) with International Tataloat Co. Ltd. to export 600,000 ton of clinker and 150,000 tons of cement to Yemen. (Source: Argam)
- National Industrialization Co. (2060/NIC AB) signed a SAR 2.0bn (USD 533mn) Murabaha loan agreement with Banque Saudi Fransi (1050/BSFR AB). The seven-year facility, covered by a promissory note, will be used to refinance the company's SAR 2.0bn (USD 533mn) worth of sukuk maturing on May 21, 2019. (Source: Argam)
- Al Hassan Ghazi Ibrahim Shaker (1214/SHAKER AB) expanded its production capacity in partnership with LG (066570 KS). The new production facility, located in Riyadh, will manufacture high-performance multi-fan air handling units (AHUs). (Source: Argam)
- Al Hokair Entertainment is planning to venture into the virtual reality (VR) space in KSA and the UAE in partnership with UK-headquartered VR firm Immotion. (Source: Argam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Al-Ahlia Insurance Co.	11.50	-3.0%	9.4
Saudi Arabian Cooperative Insurance Co.	11.56	-2.9%	3.1
Saudi International Petrochemical Co.	19.46	-2.7%	12.0
Gulf Union Cooperative Insurance Co.	14.26	-2.6%	4.1
Saudi Industrial Investment Group	21.68	-1.8%	14.3

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Alinma Bank	23.02	-0.4%	258
Saudi Fisheries Co.	72.20	1.1%	161
Saudi Industrial Export Co.	89.10	4.1%	118
Saudi Basic Industries Corp.	116.00	-0.2%	117
Amana Cooperative Insurance Co.	24.26	1.1%	85

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,521	-0.4	2.1	-0.4	8.5
Abu Dhabi (ADX)	4,867	-1.0	0.7	-1.0	13.1
Kuwait (KSE)	5,203	0.3	0.8	0.3	18.3
Qatar (QE)	10,280	-0.2	-0.1	-0.2	15.3
Oman (MSM)	4,302	-0.7	-1.0	-0.5	10.1
Bahrain (BSE)	1,329	-0.6	0.5	-0.6	8.6
DJMENA Index	554	-0.3	0.4	5.2	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,510	0.1	1.0	0.1	17.0
US (NASDAQ 100)	6,666	0.5	1.2	0.5	19.3
UK (FTSE 100)	6,734	0.1	0.0	0.1	15.5
Germany (DAX)	10,580	0.2	0.2	0.2	11.6
France (CAC 40)	4,689	-0.9	0.2	-0.9	14.5
Russia (MICEX)	2,359	0.0	0.0	0.0	5.3
Japan (Nikkei)	20,015	0.0	0.0	0.0	13.9
Hong Kong (HSI)	25,130	-2.8	-1.5	-2.8	9.6
South Korea (KOSPI)	2,010	-1.5	-1.5	-1.5	9.7
China (SHCOMP)	2,465	-1.1	-1.1	-1.1	11.6
India (NIFTY)	10,793	-1.1	-0.6	-0.6	22.0
Brazil (IBOV)	91,012	3.6	3.6	3.6	19.4
Turkey (BIST 100)	88,865	-2.6	-1.7	-2.6	6.5
Egypt (EGX30)	13,204	1.3	1.7	1.3	12.2
MSCI Emerging Markets	956	-1.1	-0.7	-1.0	11.5
MSCI World	1,881	-0.1	0.6	-0.1	15.5

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	54.9	2.1	2.1	2.1	-17.9
Natural Gas (\$/mmbtu)	3.0	0.6	0.6	0.6	-3.4
Gold (\$/oz)	1,285	0.6	0.2	0.2	-1.4
Silver (\$/oz)	15.5	0.2	0.2	0.2	-8.4
Platinum (\$/oz)	795	-0.2	-0.1	-0.1	-14.5
Copper (\$/t)	5,819	-2.2	-2.2	-2.2	-19.3
Zinc (\$/t)	2,470	-1.9	-1.9	-1.9	-26.0
Lead (\$/mt)	1,975	-1.7	-1.7	-1.7	-20.8
Wheat (\$/bu)	507	0.7	0.7	0.7	2.7
Corn (\$/bu)	376	0.2	0.2	0.2	-4.5
Sugar (\$/lb)	11.9	-0.8	-0.8	-0.8	-24.0

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.81	0.00	0.00	0.00
Saudi Arabia	2.98	0.00	0.00	0.17
UAE	2.93	0.09	0.09	0.12
Kuwait	2.38	0.06	0.06	-0.43
Qatar	2.93	0.02	0.02	0.12
Bahrain	3.95	0.00	0.00	1.14

Source: Reuters

NOTES: (1) Prices updated as of January 3, 2019 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the green on Wednesday. S&P 500 gained 0.1% while NASDAQ closed 0.5% higher. Dow Jones Industrial gained 0.1%. In Europe, UK and Germany closed 0.1% and 0.2% higher, respectively, while France declined 0.9%.
- Asian markets are trading mixed on Thursday. China is trading flat. Japan is closed for trading while South Korea is down 0.1%. Hong Kong is down 0.3% while India is trading 0.1% higher in morning trade.
- GCC markets ended mixed on Wednesday. Dubai and Abu Dhabi declined 0.4% and 1.0%, respectively. Kuwait gained 0.3% while Qatar closed 0.2% lower. Bahrain and Oman ended 0.6% and 0.7% lower, respectively.
- The UAE Cabinet has begun the implementation of 100% foreign ownership and 10-year residency visas for expats, investors, and businesspeople. While the full ownership of companies based in the UAE is currently limited to free zones, the new law is expected to attract foreign investors looking to set up or acquire local companies in the Gulf country. (Source: Arabian Business)
- Oman's 2019 budget envisages total public spending of about OMR 12.9bn (USD 33.5bn), an increase of OMR 400mn (USD 1.03bn) compared with the budgeted figures of 2018. (Source: Trade Arabia)
- Oman's National Center for Statistics and information (NCSI) revealed that the overall activity in Oman's real estate market was dull during the first 11 months of 2018, as the total value of property transactions in the country until the end of November 2018 declined 3.0% Y/Y to reach OMR 2.4bn (USD 6.2bn). (Source: Trade Arabia)
- The UAE Federal Customs Authority announced the total value of customs duties transferred by the Emirates to GCC countries amounted to about AED 1.0bn (USD 272mn) in 2018, in addition to transfers from the GCC to local customs administrations. (Source: Zawya)
- Oman's Sohar Freezone signed an agreement with Al Tamman Indsil FerroChrome (ATIFC) for the expansion of a project. The project will see the construction of additional ferrochrome furnaces by ATIFC, which will increase production capacity. (Source: Trade Arabia)
- Bahrain's Works, Municipalities Affairs and Urban Planning Minister stated that work on the Bahrain International Airport Road Development project is progressing as per schedule, with nearly 50% of Phase One of the project already completed. (Source: Trade Arabia)
- Oman's Special Economic Zone Authority at Duqm (Sezad) signed up Premier International Projects (Pipoman) for the construction of an 8.3-kilometer-long service road in the Duqm region. (Source: Trade Arabia)
- Abu Dhabi's NSCC International secured an early works contract worth USD 4.5mn (AED 16.5mn) from Ithmaar Development Company (IDC) for its landmark project – Dilmunia Grand Canal and Marina. (Source: Trade Arabia)

Coming Up

- US jobless claims for the week ended December 29 (prior: 216K; consensus: 213K) will be announced today. (Source: Econoday)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended December 28 (prior: 0.0mn barrels) will be announced tomorrow. (Source: Econoday)
- China's Consumer Price Index (CPI) for December 2018 (prior: 0.3% M/M; 2.2% Y/Y) will be announced on January 8. (Source: Econoday)



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